

## **LATAM Airlines Group reports preliminary monthly statistics for January 2016**

**Santiago, Chile, February 08, 2016**– LATAM Airlines Group S.A. and its subsidiaries, ("LATAM Airlines Group" or "the Company") (NYSE: LFL / IPSA: LAN / Bovespa: LATM33), the leading airline group in Latin America, today reported its preliminary monthly traffic statistics for January 2016 compared to January 2015.

System passenger traffic increased by 1.9% while capacity increased by 2.0%. As a result, the Company's load factor for the month decreased 0.1 points to 85.6%. International passenger traffic accounted for approximately 53% of the month's total passenger traffic.

Domestic passenger traffic in LATAM Airlines Group's Spanish speaking operations (Chile, Argentina, Peru, Ecuador and Colombia) rose 6.4%, while capacity increased by 4.5%. As a consequence, the domestic passenger load factor increased 1.5 points to 84.8%

Domestic passenger traffic in Brazil decreased 11.0%, while capacity decreased by 8.6%. As a consequence, the domestic Brazil passenger load factor decreased by 2.3 points to 84.4%.

International passenger traffic increased by 9.2%, while capacity increased by 8.2%. Accordingly, the international passenger load factor for the month increased 0.8 points to 86.6%. International traffic includes international operations of both LAN and TAM on regional and long haul routes.

Cargo traffic continues to be weak during the month of January, especially in Brazil domestic and international markets. As a result, cargo traffic for LATAM Airlines Group decreased 10.7% in January, and the cargo load factor decreased 2.8 points to 49.9%. We continue to adjust cargo capacity through a reduced freighter operation, which resulted in a decline of 5.7% of cargo ATKs in January.

### **About LATAM Airlines Group S.A.**

LATAM Airlines Group S.A. is the new name given to LAN Airlines S.A. as a result of its association with TAM S.A. LATAM Airlines Group S.A. now includes LAN Airlines and its affiliates in Peru, Argentina, Colombia and Ecuador, and LAN Cargo and its affiliates, as well as TAM S.A. and its subsidiaries TAM Linhas Aereas S.A., including its business units TAM Transportes Aereos del Mercosur S.A., (TAM Airlines (Paraguay)) and Multiplus S.A. This association creates one of the largest airline groups in the world in terms of network connections, providing passenger transport services to about 140 destinations in 24 countries and cargo services to about 144 destinations in 26 countries, with a fleet of 318 aircraft. In total, LATAM Airlines Group S.A. has approximately 53,000 employees and its shares are traded in Santiago, as well as on the New York Stock Exchange, in the form of ADRs, and Sao Paulo Stock Exchange, in the form of BDRs.

LATAM Airlines Group announced that LATAM is the new brand for LAN Airlines, TAM Airlines and Affiliates. LATAM Airlines Group is currently working on the gradual roll-out of the new corporate brand image. The first changes will be visible starting in the first half of 2016.

Each airline will continue to operate under their current brands and identities. For any inquiry of LAN or TAM, please visit [www.lan.com](http://www.lan.com) or [www.tam.com.br](http://www.tam.com.br), respectively. Further information at [www.latamairlinesgroup.net](http://www.latamairlinesgroup.net)

### **Notes**

- (1) Domestic SSC = Domestic passenger operations in Spanish speaking countries carried by LAN. Passenger statistics include domestic operations in Chile, Peru, Argentina, Ecuador and Colombia.
- (2) Domestic Brazil = Domestic passenger operations of TAM in Brazil.
- (3) International = International passenger operations of LAN and TAM.

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### **INVESTOR RELATIONS CONTACT INFORMATION**

LATAM Airlines Group S.A.  
Investor Relations  
[investor.relations@lan.com](mailto:investor.relations@lan.com)  
Tel: (56-2) 2565-8785  
[www.latamairlinesgroup.net](http://www.latamairlinesgroup.net)

|  | January |      |          | Year to Date Ended January |      |          |
|--|---------|------|----------|----------------------------|------|----------|
|  | 2016    | 2015 | % Change | 2016                       | 2015 | % Change |

#### LATAM AIRLINES PASSENGER OPERATIONS

##### REVENUE PASSENGER KILOMETERS (millions)

|                     |               |               |             |               |               |             |
|---------------------|---------------|---------------|-------------|---------------|---------------|-------------|
| <b>SYSTEM</b>       | <b>10,603</b> | <b>10,406</b> | <b>1.9%</b> | <b>10,603</b> | <b>10,406</b> | <b>1.9%</b> |
| DOMESTIC SSC (1)    | 1,795         | 1,687         | 6.4%        | 1,795         | 1,687         | 6.4%        |
| DOMESTIC BRAZIL (2) | 3,143         | 3,529         | -11.0%      | 3,143         | 3,529         | -11.0%      |
| INTERNATIONAL (3)   | 5,665         | 5,190         | 9.2%        | 5,665         | 5,190         | 9.2%        |

##### AVAILABLE SEAT KILOMETERS (millions)

|                     |               |               |             |               |               |             |
|---------------------|---------------|---------------|-------------|---------------|---------------|-------------|
| <b>SYSTEM</b>       | <b>12,383</b> | <b>12,145</b> | <b>2.0%</b> | <b>12,383</b> | <b>12,145</b> | <b>2.0%</b> |
| DOMESTIC SSC (1)    | 2,115         | 2,024         | 4.5%        | 2,115         | 2,024         | 4.5%        |
| DOMESTIC BRAZIL (2) | 3,725         | 4,074         | -8.6%       | 3,725         | 4,074         | -8.6%       |
| INTERNATIONAL (3)   | 6,542         | 6,047         | 8.2%        | 6,542         | 6,047         | 8.2%        |

##### PASSENGER LOAD FACTOR

|                     |              |              |                |              |              |                |
|---------------------|--------------|--------------|----------------|--------------|--------------|----------------|
| <b>SYSTEM</b>       | <b>85.6%</b> | <b>85.7%</b> | <b>-0.1 pp</b> | <b>85.6%</b> | <b>85.7%</b> | <b>-0.1 pp</b> |
| DOMESTIC SSC (1)    | 84.8%        | 83.3%        | 1.5 pp         | 84.8%        | 83.3%        | 1.5 pp         |
| DOMESTIC BRAZIL (2) | 84.4%        | 86.6%        | -2.3 pp        | 84.4%        | 86.6%        | -2.3 pp        |
| INTERNATIONAL (3)   | 86.6%        | 85.8%        | 0.8 pp         | 86.6%        | 85.8%        | 0.8 pp         |

##### PASSENGERS BOARDED (thousands)

|                     |              |              |              |              |              |              |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>SYSTEM</b>       | <b>6,189</b> | <b>6,439</b> | <b>-3.9%</b> | <b>6,189</b> | <b>6,439</b> | <b>-3.9%</b> |
| DOMESTIC SSC (1)    | 2,019        | 1,937        | 4.2%         | 2,019        | 1,937        | 4.2%         |
| DOMESTIC BRAZIL (2) | 2,805        | 3,227        | -13.1%       | 2,805        | 3,227        | -13.1%       |
| INTERNATIONAL (3)   | 1,365        | 1,274        | 7.1%         | 1,365        | 1,274        | 7.1%         |

#### LATAM AIRLINES CARGO OPERATIONS

##### REVENUE TON KILOMETERS (Cargo) (millions)

|               |            |            |               |            |            |               |
|---------------|------------|------------|---------------|------------|------------|---------------|
| <b>SYSTEM</b> | <b>288</b> | <b>322</b> | <b>-10.7%</b> | <b>288</b> | <b>322</b> | <b>-10.7%</b> |
|---------------|------------|------------|---------------|------------|------------|---------------|

##### AVAILABLE TON KILOMETERS (Cargo) (millions)

|               |            |            |              |            |            |              |
|---------------|------------|------------|--------------|------------|------------|--------------|
| <b>SYSTEM</b> | <b>576</b> | <b>611</b> | <b>-5.7%</b> | <b>576</b> | <b>611</b> | <b>-5.7%</b> |
|---------------|------------|------------|--------------|------------|------------|--------------|

##### CARGO LOAD FACTOR

|               |              |              |                |              |              |                |
|---------------|--------------|--------------|----------------|--------------|--------------|----------------|
| <b>SYSTEM</b> | <b>49.9%</b> | <b>52.7%</b> | <b>-2.8 pp</b> | <b>49.9%</b> | <b>52.7%</b> | <b>-2.8 pp</b> |
|---------------|--------------|--------------|----------------|--------------|--------------|----------------|